

Exhibit 1

Tekion's sights set on growth milestones

'24 could be crucial as company works to prove its DMS mettle

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Tekion, after raising more than \$450 million in venture capital since its 2016 launch, is working overtime in 2024 to reach milestones to prove to investors their money was well spent.



Vijayan: Stiff competition

The private dealership management system upstart founded and led by Jay Vijayan, a former Tesla chief information officer, is in the midst of what could be an important year in the highly competitive sector.

"Every year for Tekion is pivotal because [Vijayan] is still trying to prove to the industry 'we can do this better than the others,'" said early Tekion investor Chase Fraser, managing partner at FM Capital. "He's building the airplane while he's flying the airplane, and that's not at all negative. It's very much a positive, but Jay is juggling a lot of balls."

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BMW leads luxe sales; M-B drops retail sales report

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BMW, which had its best sales year in the U.S. in 2023, began 2024 in positive territory.

In the first quarter, BMW sales rose 2.4 percent to 84,475. The automaker commanded an 18.3 percent share of the luxury vehicle segment, powered by robust demand for its electrified models.

■ Q1 U.S. light-vehicle sales tables
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According to Edmunds, BMW was one of the fastest-selling brands in the industry in March, with a 31-day turnover rate. The only brands to sell vehicles quicker

were mainstream players Toyota (22 days) and Honda (28 days). "BMW is giving luxury customers what they want on multiple fronts," said Ivan Drury, director of insights at Edmunds. "Nearly 1 in 6 BMWs sold [last month] was an EV,

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Best Dealerships To Work For entry deadline is approaching

Automotive News

BEST DEALERSHIPS TO WORK FOR

Time is running short to enter Automotive News' expanded Best Dealerships To Work For program, with registrations due by Friday, April 19. The program recognizes new-car dealerships that are doing things right and creating cultures that make employees proud to be a part of them. This year, there are more ways to be recognized, such as new categories, the opportunity for dealerships with as few as 15 employees to be considered and an expanded list of 150 winners, up from 100.

Automotive News partner Workforce Research Group measures workplace satisfaction using confidential employee surveys and management information.

To be considered for the 2024 list, dealerships can scan the QR code or register at bestdealershipstoworkfor.com. Winners will be recognized in October.

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Buick hopes design equates to sales boom

Wildcat EV concept inspired look of overhauled crossover lineup

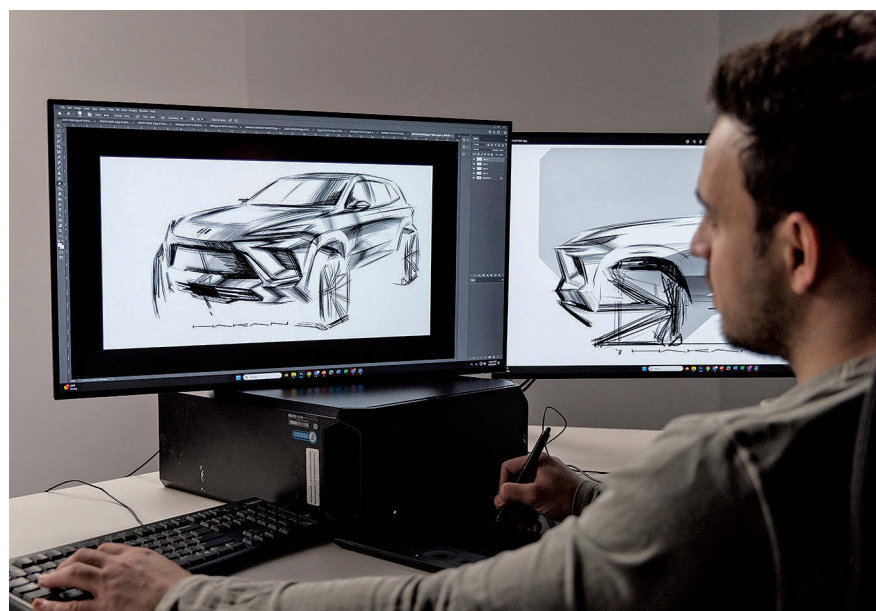
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DETROIT — Buick is entering the spring selling season with an overhauled vehicle lineup, a new logo and brand campaign, and sales momentum on its side.

When the redesigned Enclave large crossover goes on sale this year, all four of the General Motors premium crossover brand's nameplates will have been introduced or updated within the last 18 months, starting with the subcompact Encore GX in February 2023. Buick this month debuted the next-generation Enclave and freshened Envision compact crossover, and it was the only GM brand to report higher first-quarter sales in the U.S.

The brand's lineup, powered by internal combustion engines, shares aesthetic elements drawn from an electric vehicle concept, the Wildcat, that emphasized sculptural lines, check mark-shaped headlights and a low-mounted, trapezoidal grille. The updates inspired Buick's first new tag line since 2008, "Exceptional by design," and brand leaders are highlighting its premium positioning to reach consumers looking for something between mass market and luxury.

Buick leaders say there are early signs the new design strategy is working. U.S. sales rose 16 percent in the first quarter — with



Hakan Demir, lead creative designer at Buick, creates an early digital sketch of the 2025 Buick Enclave large crossover. It will go on sale this year.

retail sales up 10 percent — after jumping 61 percent from a supply-constrained 2022. Only 8 percent of its 2023 sales went to fleet buyers, they said.

"I'm really excited about what the brand is becoming again," GM President Mark Reuss told reporters during a Buick design

event this month at the automaker's Global Technical Center in suburban Detroit.

Initial sales of vehicles with Buick's new look, Reuss said, have shown "it's priced right, it's gorgeous, and we're getting people

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Enclave's revamp for 2025 comes with Super Cruise, big screen

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Buick is redesigning its flagship Enclave large crossover this year, adding GM's Super Cruise hands-free driver-assist technology and more power under the hood.

The 2025 Enclave, expected to go on sale this summer, is the last of Buick's four crossovers to be introduced, freshened or redesigned since the start of 2023. Like the rest of the lineup, the Enclave will draw styling inspiration from the brand's Wildcat electric concept, with its sculptural lines, check

mark-style headlights and trapezoidal grille. Pricing was not disclosed.

The Enclave will continue to be built at General Motors' Lansing Delta Township assembly plant in Michigan, alongside the Chevrolet Traverse and GMC Acadia.

"The premium and sculptural design of the Enclave strikes a confident stance on any street, and the thoughtful technologies throughout elevate the driving experience," Duncan Aldred, vice president of global

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2025 Buick Enclave

Segment: Large crossover

Powertrain: 2.5-liter turbocharged 4-cylinder engine paired with 8-speed automatic transmission produces 328 hp and 326 lb.-ft. of torque

Price: Not disclosed

Production: Expected this summer at General Motors' Lansing Delta Township plant in Michigan

Notable features: New Sport Touring trim level replaces Premium; 1st Buick to receive GM's Super Cruise hands-free driver-assist technology; standard 30-inch interior screen can be configured to users' preferences; styling drawn from Buick's Wildcat electric concept

Source: Buick



Sport Touring used to be a package option but now is a trim level for the Buick Enclave.

BUICK

TEKION

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David Kain, president of dealership training consultancy Kain Automotive, said Tekion's rivals also have plenty at stake.

"It's a key year for [Reynolds and Reynolds]. It's a key year for CDK. It's a key year for Tekion," said Kain, who moderates Tekion's dealer advisory board meetings. "It's so competitive now and dealers got pretty flush with profit last year and they [boosted] their capacity to shop around and make better decisions."

Critical mass

Not everyone is convinced Tekion has reached the critical mass it needs to compete successfully with veterans CDK, Reynolds or Cox Automotive.

"This is a crucial year for Tekion. They've come out very strong from a marketing perspective and they've generated a lot of hype. But I don't think that's resulted in an actual customer base," said Matt Gillrie, CEO and owner of the Gillrie Institute, a DMS consulting firm that helps dealerships with major vendors, including Tekion. "I don't think the customer count equals the hype. They really need to nail their system, how it works and how they can scale."

Kain, however, said Tekion is "in really good shape from a scalability standpoint."

One example is Tekion's announcement at the end of 2023 that it had reached a deal with Asbury Automotive Group to begin using Tekion's DMS technology, starting with a four-store pilot in 2024. A successful pilot could lead to Asbury, which has 160 dealerships, deploying the platform companywide in 2025 in a process that could be finished by early 2026, Asbury CEO David Hult said in February.

The deal could be a big coup for Tekion if it is successful, considering Asbury is a CDK Global customer. The Duluth, Ga., dealership group giant retailed 149,509 new vehicles in 2023, ranking it fifth on Automotive News' list of the top 150 dealership groups based in the U.S.

"All eyes are going to be on them to deliver at the level that certainly Asbury would expect," Kain said. "Even then, single point stores are going to pay attention ... so I think it's a good marquee



MARISA MARCINKOWSKI

Asbury Automotive will use Tekion's DMS tech, starting with a four-store pilot this year.

opportunity for them."

Vijayan was unavailable to comment for this story.

A big year

Tekion, based in Pleasanton, Calif., has pulled in roughly \$451 million in venture capital to date including its \$250 million round in 2021 — a significant amount that came about a year before a sharp decline in startup investments. General Motors, BMW i Ventures, Hyundai Motor Co., Airbus and dealership groups such as Serra Automotive are among notable investors.

They all are betting Tekion will successfully create a modern DMS alternative that could disrupt a sector long dominated by CDK Global and Reynolds and Reynolds. And if that happens, it could upend DMS market dynamics that have remained static for decades and result in more competition and consequently better customer service.

Vijayan previously said Tekion has more than 1,000 dealerships under contract. According to Gillrie, CDK remains the leader with about 60 percent of the market. Reynolds and Reynolds and Cox Automotive's Dealertrack platform vie for second and third place; Tekion is next, ahead of the small players that remain.

Vijayan in February hinted that an initial public offering is on the agenda. Observers have speculated this could happen in 2025 assuming market conditions are right, which would allow Tekion

to raise significant funding to reach further scale. In an interview during the NADA Show, Vijayan would not confirm whether the company has a specific IPO timeline but said the goal remains dependent upon meeting certain milestones in the coming months.

"You need to do the right thing for the business, and an IPO, or not, will happen at the right time ... when everything is aligned," Vijayan said at the February show. "You don't have a concrete timeline."

Fraser agreed, saying there are "many stars that need to align to go public."

"And the biggest star to align is that the markets have got to be receptive to a business going public, and the IPO markets right now are just absolutely terrible," he said. "Will they look different in 18 months? Maybe. But as an investor, all I really care about is just grow the business and do right by your dealer customers."

Tekion this year made some key hires intended to fuel its growth strategy, including Jacob Shulman as CFO and Rob Glenn as chief revenue officer. Shulman has previous IPO experience, and Glenn has a track record of guiding significant revenue growth at other companies.

Of course, Tekion must show investors it is accomplishing its ambitious goals. Deals such as Asbury Automotive Group's agreement to start piloting Tekion's Automotive Retail Cloud platform will help, but the challenge remains, Gillrie said.

"The likelihood of them getting to a CDK and Reynolds level at this point is low," Gillrie said, "because the only way they're gaining customers is stealing them from other vendors. That's very difficult and requires them to work within the contract length of other vendors."

Kain disagreed.

"If you look at their competitors in the marketplace, my guess would be that they're sitting there wishing and hoping that they're going to stumble," he said.

Milestones

Vijayan in 2020 launched Automotive Retail Cloud, which provides DMS and other capabilities backed in part by artificial intelligence and machine learning capabilities.

That same year, Tekion decided to buy two

dealerships — Gilroy Buick-GMC in California and Hyundai of Gilroy — to serve as a laboratory for its software and iron out the kinks. The ownership arrangement helped Tekion developers learn what dealership personnel wanted and needed in a real-world environment. The venture also helped shape Tekion's DMS technology beyond what it could have accomplished with standard pilot programs, Vijayan and other Tekion executives said in 2023.

The company, even as the investor market cooled in 2022, has plowed ahead with its growth plans.

In 2023, Tekion added to its DMS with the acquisition of Five64, a maker of interstate and state vehicle registration technology that filed for Chapter 11 bankruptcy.

Tekion also made progress reducing lengthy installation backlogs in 2023 to six to nine months; Vijayan said in February the number continues to improve. Scaling, key executive hires and automation have helped ensure greater efficiency with the DMS process, he said. Alongside those efforts, the company conducted two targeted rounds of layoffs in 2023 as it worked to scale commercial operations and focus on reaching financial targets.

Buzz

Tekion and Vijayan's bid to provide everything a dealership needs in one DMS has helped it stand out, Fraser said, though development work is ongoing.

"Is it really good now? It's phenomenal, in my opinion," Fraser said. "Is there a massive amount of tech to add to it? The answer is yes."

Along those lines, Kain said Tekion rapidly makes improvements based on customer feedback.

"They are so hyperfocused on making sure that they listen to their customers, and their rate of improvement is so immediate. I think that's part of the thing that drives a lot of dealers to this," Kain said.

Gillrie, who is more critical, said he remains excited about Tekion's potential.

"I think they've made missteps," Gillrie said. But "at a high level, they're a pretty good bet in the long run if they can figure this stuff out."

4RUNNER

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Christ told Automotive News he thinks that, with the redesign, the 4Runner can get back to sales numbers near the nameplate's peak, even with the similarly sized Land Cruiser added to the lineup.

"We think there's potential," Christ said. "Obviously, we have to get to full production after launch to realize and see how big the market is. There will be some customers that would have bought a 4Runner that would now buy a Land Cruiser, but we think the Land Cruiser is unique enough that it won't cannibalize 4Runner too much, and we'll be able to pick up new customers that are either old Land Cruiser customers or people new to the brand with Land Cruiser."

Tacoma similarities

The sixth-generation 4Runner was developed alongside the redesigned Toyota Tacoma pickup, which debuted last year, and features a number of similarities. It is the last of what Toyota calls its "Four Brothers" — the full-size Tundra pickup, Sequoia SUV, midsize Tacoma pickup and 4Runner SUV — to be moved onto the automaker's F1 global body-on-frame platform.

Like the Tacoma, the 2025 4Runner will come standard with a turbocharged 2.4-liter engine that produces up to 278 hp and 317 pound-feet of torque. Also available is an optional i-Force Max hybrid that adds a 48-hp electric motor integrated into the eight-speed automatic transmission and uses a 1.87-kilowatt-hour battery. The system boosts output to 326 hp and torque to 465 pound-feet. Both feature part-time or full-time four-wheel drive via a two-speed transfer case.

Also like the Tacoma, the 2025 4Runner will come with either a standard 8-inch or optional 14-inch touchscreen running Toyota's Audio Mul-

timedia system, which supports Apple CarPlay and Android Auto. Audio Multimedia, which debuted on the redesigned Tundra, uses voice prompts to interact with the driver or passengers to control infotainment and HVAC systems.

Expanded trims

The redesigned 4Runner will have an expanded number of trims, moving from the good-better-best lineup to nine offerings that feature a wide variety of equipment, styling and options, including five trims under the TRD performance sub-brand.

The base SR5 trim remains, while the lineup now has the TRD Sport, TRD Sport Premium, TRD Off Road, TRD Off Road Premium, Limited and Platinum trims. The former top-end TRD Pro trim is also returning but is being supplemented by a new Trailhunter trim aimed at off-roaders. It will feature factory-installed specialty equipment from Rigid, ARB and others.

All trim levels come standard with the Toyota Safety Sense 3.0 suite of driver assistance and safety systems.

Through March, 4Runner sales were up 60 percent to 33,823.

Christ said Toyota recognizes that "there will be some overlap" in the pricing between the 4Runner and Land Cruiser on dealership lots, partly because the 4Runner will have nine trims, and the Land Cruiser just two. That may be confusing for consumers, because the two vehicles are built on the same platform and share a lot of the same DNA.

"Land Cruiser will have Land Cruiser devotees that are buying it because it's the Land Cruiser. I think the [base model] 1958 edition of Land Cruiser will appeal to people that want to customize it and make it their own," Christ said.

"We came up with that entry-level Land Cruiser grade to really be a blank canvas and allow people to customize and build it, and I think that will be appealing to some customers."

MUSK

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"Such a decision would also be consistent with Elon Musk's well-documented choice to have Tesla's next platform entirely autonomous, while the Model 2 was only a compromise suggested by his engineers in case autonomous tech takes too long to be ready," Deutsche Bank analyst Emmanuel Rosner said in a research note Monday, April 8.

"Recall that as recently as in January 2023, Mr. Musk told investors on the earnings call that Tesla was no longer developing a \$25,000 car, but he then seemingly reversed course," Rosner said.

Musk's renewed focus on a robotaxi suggests "Tesla has decided to press its unique AI and software advantage," he said, referring to artificial intelligence.

Deutsche Bank has a buy rating on Tesla stock with a target of \$189 per share. Tesla stock closed up 1.7 percent Thursday, April 11, to \$174.60, but the share price is down about 30 percent so far this year.

Software's the thing

Michael Dunne, CEO at Dunne Insights, told Automotive News last week that software is becoming the new automotive differentiator rather than fresh sheet metal. He said Tesla can price the current Model 3 sedan lower in the market to capture new buyers, removing the need for a new model.

"A small army of Chinese automakers can already make \$25,000 EVs," Dunne wrote on X. "Why try to compete in that zero profit hellscape? Far better to steer clear of those black holes and focus on the frontier: AI-smart autonomous driving."

Tesla released version 12 of its Full Self-Drive

ing software last month, but the feature doesn't make Tesla vehicles autonomous. The \$12,000 software option is an advanced driver-assistance system similar to those offered by other automakers. Drivers are fully responsible for maintaining control.

Deutsche Bank warned that full autonomy could be years away, leaving Tesla without a new product.

"A pushout of Model 2 efforts creates the risk of no new vehicle in Tesla's consumer lineup for the foreseeable future, which would put continued downward pressure on its volume and pricing for many more years," Deutsche Bank said.

Back to the old plan

Musk himself bolstered speculation that a dedicated robotaxi is Tesla's main focus with posts on X April 5 and 6, describing Tesla as "an AI/robotics and sustainable energy company" rather than an automaker.

In a post April 6 on X, Musk linked to a 2016 document — "Master Plan, Part Deux" — where he laid out the automaker's future plans that included a robotaxi, but not a budget vehicle below the current Model 3 sedan, which starts at \$40,630 with shipping.

"I wrote this 8 years ago," Musk said in the post.

"A lower-cost vehicle than the Model 3 is unlikely to be necessary," Musk wrote in the 2016 document.

He argued that a robotaxi fleet would provide inexpensive transportation "no matter where you are."

Franz von Holzhausen, Tesla's chief designer, briefly addressed the Reuters report at an event in Los Angeles on April 7 when asked about the canceling of the low-cost vehicle.

"I would just say stay tuned," he said. "Don't always believe what you hear."